

**EXHIBIT NO. 1**

## **EXHIBIT A**

### **Product Definition:**

Each bag of Neutocrete will consist of the following formulation, which may only be changed with written consent by both parties.

### **Neutocrete® Product Formulation:**

Zonolite® #4 Vermiculite	2 cu ft
Type I or II Portland Cement	30 lbs
Grace proprietary additive package	<2 oz

### **Packaging:**

As a service to Neutocrete, Grace will purchase under its third party bag purchase agreement the Neutocrete marked bags. Grace will immediately invoice Neutocrete for the cost of these bags to Grace, and Neutocrete will upon receipt of invoice pay for said bags. Grace will maintain stocking and ordering of the bags for Neutocrete and Neutocrete will have title to the bags. Grace shall not use Neutocrete bags other than to supply Neutocrete® Product to Neutocrete hereunder.

### **Price:**

Minimum purchase Quantity is 50,000 bags per each 12 month period, for the term of this Agreement. This is a "Take or Pay" Agreement.

Packaged in Neutocrete bags provided to Grace for filling, the purchase price will be \$5.27/bag.

Pricing will be fixed for the first twelve months of this Agreement, and will be adjusted up or down each 6 months thereafter by multiplying the current price by the 6 month trailing percent change for the Producer Price Unadjusted Index (PPI) for Commodity Code 13-3 (Concrete Products) as published by the US Department of Labor, Bureau of Labor Statistics.

### **Calculating PPI Index Changes**

Each index measures price changes from a reference period which equals 100.0 (1982 or some later month). An increase of 5.5 percent from the reference period in the Finished Goods Price Index, for example, is shown as 105.5. This change can also be expressed in dollars as follows: "Prices received by domestic producers of a systematic sample of finished goods have risen from \$100 in 1982 to \$105.50 today." Likewise, a current index of 90.0 would indicate